

**MEMORANDUM OF UNDERSTANDING
ON WORKING ARRANGEMENTS BETWEEN
ASIAN DEVELOPMENT BANK
AND
UNITED NATIONS ENVIRONMENT PROGRAMME**

A. OBJECTIVES

1. The Asian Development Bank (ADB) and the United Nations Environment Program (UNEP) intend to cooperate for the promotion of sustainable development and environmental management throughout the Asia Pacific Region (the Region). This Memorandum of Understanding (MOU) reflects discussions held between the two parties and seeks to formalize working arrangements to provide the basis for further cooperation.

B. BACKGROUND

2. During the past ten-year period, UNEP and ADB have collaborated to carry out a number of programs and projects intended to assist developing countries in Asia and Pacific to reach their national and regional environmental objectives. Both institutions recognized that, with such a massive and complex challenge, partnerships were essential, building on synergies of each organization's strengths and their shared vision of poverty reduction and environmentally sustainable development.
3. Initially, the focus of attention was on the generation and management of environmental information. ADB and UNEP developed a strategy and a program for environmental information in the Region. The strategy calls for establishment of an environmental information network at sub-national, national, sub-regional, and regional levels. The objective of the network is to assist in policy formulation by environmental and planning institutions at all levels in the Region, through the provision of accurate and timely data; assist national and regional efforts to prepare state of the environment (SOE) reports; generate information for environment-related studies; and monitor progress toward sustainable development in the Region. ADB and its developing member countries (DMCs) require accurate and current data for policy dialogue, sectoral analyses, and project preparation activities. As ADB is committed to sustainable development as part of its overall strategy, there will be an increasing need for ADB and its DMCs to have access to all available environmental information. However, to avoid duplication of effort, UNEP is better situated to serve as the central data repository for the Region, and undertake regional environmental monitoring in collaboration with DMC environmental agencies. Thus it is considered mutually beneficial for ADB and UNEP to develop closer working arrangements.
4. More recently, ADB and UNEP have found that partnerships in new areas of mutual interest have led to increased efficiency and effectiveness in delivery of technical assistance. Recent cooperation has included: assistance to DMCs in preparing plans on global climate change; participation in the Kyoto Protocol; environmental training in the Greater Mekong Subregion (GMS); environmental monitoring and information management sharing in the GMS; preparation of a Strategic Environment Framework in the GMS; preparation of coastal resource management strategies in the South China Sea; and development of subregional strategies to address air quality management issues.

C. PRINCIPAL AREAS OF PARTNERSHIP

5. There are three principal areas of cooperation envisaged between ADB and UNEP. These include: (i) Information Management, (ii) Capacity Building, and (iii) Collaborative Programs. Letters of Agreement will be periodically exchanged between the UNEP and ADB counterparts responsible for implementation of this MOU (para 13, below) outlining specific programs and activities. The Information Management program will be a continuation and expansion of the ongoing ADB/UNEP assistance to DMCs for improving environmental information management and the application of such information for improved environmental assessment, planning and monitoring of regional environmental trends. The Capacity Building program will focus on transfer of skills and tools to DMCs, and strengthen institutions thereby facilitating environmentally sound development planning and decision-making and adequate and appropriate legal and institutional environmental frameworks. The Collaborative program will include subregional, regional and global environmental cooperative arrangements of mutual interest to ADB and UNEP such as the Greater Mekong Subregion Environment Program and Global Environment Facility.

D. EXCHANGE OF INFORMATION, CONSULTATION, STAFF

6. ADB and UNEP will keep each other informed of their respective policies/strategies and programs of assistance in DMCs of common membership through exchange of newsletters, country-specific studies, and other relevant documents and publications. Similarly, ADB and UNEP will share information on any projects or studies in which the other has expressed special interest.
7. UNEP will provide ADB and its authorized representatives with access to its regional and global environment data presently available through UNEP's Environment Assessment Programme for Asia and Pacific (EAP-AP) located in Bangkok, Thailand. In this context, UNEP will keep ADB updated on acquisition of new global and regional data that might be used by ADB in the devilment and design of its projects and programs. ADB will ensure that data generated in the course of its environmental projects will be lodged with EAP-AP, with DMC approval.
8. Consultations between ADB and UNEP will take place regularly, preferably once a year or as mutually agreed upon by the two institutions, to discuss progress of activities in the agreed areas of cooperation, discuss and exchange views on global and regional environmental issues, as well as on specific projects or studies where cooperation is desirable. On the basis of such consultations, ADB and UNEP will prepare work programs for possible joint activities and agree on general administrative arrangements for implementation of such work programs.
9. Such consultation and exchange of information and documents shall be without prejudice to arrangements, which may be required to safeguard the confidential and restricted character of certain information and documents.
10. ADB will continue to participate in the annual UNEP EAP-AP Advisory Group meetings.
11. ADB and UNEP will each year consider exchange of staff for both short-term and long-term periods to work on agreed joint programs and for purposes of training. This could initially focus on geographic information systems (GIS) applications for environmental monitoring in GMS countries and poverty/environment mapping.

E. CONFERENCES AND SEMINARS

12. ADB and UNEP will invited each other to send representatives to meetings, workshops and conferences, convened by them or under their auspices, on topics of mutual interest and application, subject to available budgetary resources within each institution.

F. RESPONSIBILITY FOR PARTNERSHIP

13. Chief, Office of Environment and Social Development, ADB, and deputy Executive Director, UNEP, or their successors will have overall responsibility for ensuring that the mutual objectives embodied in this MOU are realized. The officials responsible for implementation of these working arrangements will be the Manager, Environment Division for ADB in Manila and the Director EAP-AP representing the Regional Office of the Asia and the Pacific or their successors.

G. TERMINATION

14. Either Party may terminate this MOU at any time by giving six monthly notice in writing to the other party.

H. ANNUAL REVIEW

15. The working arrangements set forth herein will be reviewed on an annual basis by officials responsible for implementation. A joint written report will be submitted to the President of ADB and Executive Director of UNEP on progress made and specific recommendations for implementation each year.